

**MINUTES  
of the  
SIXTH MEETING  
of the  
MILITARY AND VETERANS' AFFAIRS COMMITTEE**

**November 18, 2015  
Room 317, State Capitol  
Santa Fe**

The sixth meeting of the Military and Veterans' Affairs Committee was called to order by Representative Bob Wooley, co-chair, on, Wednesday, November 18, 2015, at 10:05 a.m. in Room 317 of the State Capitol.

**Present**

Sen. Richard C. Martinez, Co-Chair  
Rep. Bob Wooley, Co-Chair  
Rep. Eliseo Lee Alcon  
Sen. Craig W. Brandt

**Absent**

Sen. William F. Burt  
Rep. George Dodge, Jr.  
Rep. Dianne Miller Hamilton  
Sen. Daniel A. Ivey-Soto

**Advisory Members**

Rep. David E. Adkins  
Rep. Randal S. Crowder  
Rep. Jim Dines  
Sen. John Pinto  
Rep. Jim R. Trujillo  
Rep. John L. Zimmerman

Rep. Cathrynn N. Brown  
Sen. Carlos R. Cisneros  
Rep. Rick Little  
Sen. Michael Padilla  
Sen. William H. Payne  
Sen. William E. Sharer

**Membership Note**

Representative Trujillo was appointed a voting member for purposes of the meeting.

**Minutes Approval**

Because the committee will not meet again this year, the minutes for this meeting have not been officially approved by the committee.

**Staff**

Jeret Fleetwood, Researcher, Legislative Council Service (LCS)  
Peter Kovnat, Staff Attorney, LCS  
Kathleen Dexter, Researcher, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Copies of all handouts and other written testimony are in the meeting file.

**Wednesday, November 18**

**Vietnam Veterans Memorial and Posttraumatic Stress Disorder Program Update**

Chuck Howe, president, David Westphall Veterans Foundation, thanked committee members for their part in securing capital outlay funding in the 2015 special session for improvements at the Vietnam Veterans Memorial in Angel Fire, New Mexico. The funding was sufficient to cover much, though not all, of the upgrades necessary at the memorial, and he presented \$280,000 in new funding requests to be considered in the 2016 session. These include a shelter for the vendor area; a vault toilet for the parking area; maintenance and repainting on the Huey helicopter; a sign at the entrance to the grounds; and upgrades to exhibits and the movie-viewing area. A veteran who owns land contiguous to the current memorial has pledged a donation of 14 acres so that the memorial can be expanded to include facilities honoring veterans of post-Vietnam conflicts.

Mr. Howe also noted that the National Veterans Wellness and Healing Center of Angel Fire, Inc., is in its third year of a four-year recurring appropriation from the Department of Health to provide retreats for military service members diagnosed with posttraumatic stress disorder (PTSD). The program, which also accommodates spouses of those with PTSD, has served 248 couples to date. In addition to the retreats, the center will host its second annual Military Winterfest of outdoor winter recreation in February 2016.

On questioning, Mr. Howe clarified that repainting the Huey helicopter is the top funding priority in 2016, followed, in subsequent order of priority, by the vendor area shelter; parking lot vault toilet; exhibit upgrades; movie-viewing area upgrades; and sign.

**Folds of Honor Program**

Colonel Jim Quick, U.S. Air Force, retired, gave a presentation on the Folds of Honor program, which provides scholarships to children and spouses of military service members who are either killed or disabled or who are prisoners of war or missing in action. Since it was founded in 2007, the program has awarded more than 10,000 scholarships of up to \$5,000 each; in 2014, scholarships totaled more than \$10 million.

Eighty-seven percent of funds raised by the Folds of Honor Foundation and its local chapters go directly to scholarships. Funds raised by local chapters must go to scholarships within their states, and local funds must be exhausted before a chapter taps into the foundation's general fund. As of 2014, the New Mexico Folds of Honor chapter raised \$80,000 and granted \$100,000 in scholarships. Fundraising activities include golf tournaments around the state and an annual Patriot Gala. The next gala is scheduled for September 2016 at the Sandia Resort and Casino, and Colonel Quick invited committee members to attend.

On questioning, Colonel Quick clarified that:

- (1) there is no foundation chapter in the Roswell area; and

(2) eligibility for the program includes dependents and spouses of those killed or injured on active duty, not just those killed or injured in action.

### **U.S. Department of Defense State Liaison Office**

Dale Vande Hey, south central region state liaison, State Liaison Office, U.S. Department of Defense, gave an overview of military- and veteran-related issues around the country that the State Liaison Office monitors and facilitates. The office does not lobby for specific legislation but it does educate legislators and provides "best practice language" for proposed legislation upon request.

The committee heard testimony at its October 23, 2015 meeting on three of the issues being monitored by the State Liaison Office: 1) professional licensure portability for military spouses; 2) academic credit for training and experience gained while in the military; and 3) veterans' treatment courts. Other issues identified by Mr. Vande Hey include priority for Medicaid home- and community-based care waivers; identifiers for military children in education data systems; employment protection for National Guard members during state-sponsored activation; child advocacy standardization; private sector hiring preferences for veterans; and pro bono legal representation for military families.

On questioning, Mr. Vande Hey and committee members noted that:

- (1) the American Council on Education translates all military skills into suggested college credits, but it is each institution's responsibility to assign the credits;
- (2) some states impose statutory requirements that either mandate that credits be assigned or, as in Louisiana, mandate reporting on efforts to do so, but New Mexico does neither;
- (3) the 2013 statute regarding military spouse professional licensure, which covers some but not all professions, does not force licensing boards to grant licensure; rather, each board is authorized to determine if a skill gained in the military is "substantially equivalent" to licensure requirements;
- (4) in some states, military spouses are granted temporary licenses or licenses by endorsement;
- (5) there is no statewide policy on veterans' treatment courts; each jurisdiction must establish its own program, and all staff members in a program must be trained; and
- (6) the Administrative Office of the Courts (AOC) did not include funding for veterans' treatment courts in its fiscal year (FY) 2017 budget request.

★ Alan Martinez, deputy secretary, Veterans' Services Department (VSD), will discuss funding for veterans' treatment court programs with the AOC.

### **Veterans' Services Department Update**

Deputy Secretary Martinez outlined the VSD's top priorities for the coming year, one of which — an income tax exemption for military retirement pay — requires legislative action.

The tax measure is aimed at luring more military retirees to the state by exempting up to \$25,000 of their retirement pay — also referred to as "retainer pay" — from state income tax. Deputy Secretary Martinez noted that New Mexico consistently appears near the bottom of *Military Magazine's* annual ranking of places to retire, in part because the state lacks such a military retirement tax incentive. Neighboring states either have such incentives in varying forms (Arizona, Colorado, Utah and Oklahoma) or have no income tax at all (Texas).

Other priorities for the VSD include:

- (1) veterans' transportation — the VSD is working with the Department of Veterans Affairs (VA) to launch a new VA program with five vans around the state;
- (2) long-term care for veterans — the VA, the Aging and Long-Term Services Department and the State Veterans Home are working to increase the number of long-term beds available to New Mexico veterans, including issuing VA contracts with private facilities; and
- (3) female veterans' issues — the VSD held a Women Veteran Conference in October and has established a Women Veteran Work Group to address issues noted in a recent survey of female veterans.

On questioning, Deputy Secretary Martinez, committee members and Tom Wagner, manager, VSD state cemetery program, who spoke from the audience on invitation of the chair, noted that:

- (1) under the VA's new van program, the VA will synchronize appointment times for all who are riding the van on a given day to shorten the time spent at the VA facility;
- (2) under a provision in the Constitution of New Mexico, \$4,000 of the value of a veteran's property is exempt from taxation, which averages to an annual tax savings of \$100 per veteran; a resolution proposing a constitutional amendment to increase the exemption to \$10,000 did not get a committee hearing during the 2015 session;
- (3) flying from Silver City to Albuquerque and to El Paso via Boutique Air service might be a less expensive way to transport veterans to VA facilities than using vans;
- (4) the VSD's Rio Rancho field office has not closed but has temporarily relocated to the VSD's Eagle Rock location until another Rio Rancho location can be established;
- (5) certain VSD field office personnel have not been able to answer questions regarding certain VA benefits; all field office staff are now required to attend training twice a year on all VA benefits;
- (6) VA benefits include a certain amount of in-home health care for veterans, and Medicaid will cover all costs of in-home health care if a veteran has no assets; the VA will pay all costs associated with health care for a veteran's service-connected disability;
- (7) an organization that owns several nursing homes in the state has met the VA's standards for such facilities and will soon sign a VA contract to provide services to veterans;
- (8) a new fiscal impact report will be available prior to the 2016 session on the economic impact to the state of providing an income tax exemption for military retirement pay; one unofficial estimate cites the impact at \$500,000 per year;

- (9) because military retirement pay is structured as retainer pay rather than as a pension, income tax exemptions in other states have passed constitutional muster; and
- (10) vans driven by senior programs in the state have drivers that are paid by local councils of governments.

★ Deputy Secretary Martinez will:

- (1) provide information to Representative Dines on the fiscal impact of Arizona's income tax exemption for military retirement pay; and
- (2) get information from Representative Trujillo on how councils of governments might be able to pay drivers who drive veterans to health care appointments from rural areas.

### **Low-Income Veteran Home Repair and Modification Program**

Izzy Hernandez, deputy director of programs, New Mexico Mortgage Finance Authority (MFA), and Mike Rudloff, program manager, Tierra del Sol Housing Corporation, presented a request for \$2 million to continue an MFA program to repair and modify homes for low-income veterans. The funds would be sufficient to make improvements to 100 homes at an average cost of \$20,000 per unit and would also be used to leverage federal funds if needed repairs exceed that amount. Eligibility for the program is restricted to veterans whose income is below the median income in their areas.

Speaking from the audience on invitation of the chair, Rudy Clarke of Habitat for Humanity emphasized the need for home rehabilitation among low-income veterans in southern New Mexico.

On questioning, the presenters and committee members noted that:

- (1) while the current request for \$2 million would be used exclusively on veterans' homes, the MFA's full home rehabilitation program, for which it received \$2.4 million in FY 2015, is not restricted to veterans' homes;
- (2) a similar request for \$2 million for the program was introduced in the 2015 regular session but got stuck in the Senate Finance Committee; and
- (3) veterans who apply for home rehabilitation funding must present a valid DD-214 to qualify.

★ On motions duly made, seconded and unanimously adopted:

- (1) the committee endorsed the \$2 million appropriation request (.202256.2) with an amendment on line 22 to insert "taxable" before "income"; and
- (2) committee staff was directed to draft a letter from the committee co-chairs to Senator John Arthur Smith requesting that the Senate Finance Committee consider the \$2 million appropriation, as amended, for the MFA low-income veteran housing rehabilitation program.

- ★ Mr. Hernandez will provide information on how much of the \$2.4 million spent by the MFA home rehabilitation program in FY 2015 was used on veterans' homes.

### **State Use Act**

Mike Kivitz, chief executive officer, Adelante Development Center, Inc. (Adelante), summarized the State Use Act procurement program that provides work for New Mexicans who have disabilities. Pursuant to the act, the New Mexico Council for Purchasing from Persons with Disabilities (council) develops a list of services currently available from persons with disabilities. If state agencies or local public bodies need services that are included on the list, they must contract for those services from the providers listed. Nearly 600 New Mexicans with disabilities have been employed under State Use Act service contracts, which may be granted to both nonprofit and for-profit entities. The contracts require that 75 percent of the labor be provided by persons with disabilities. The procurement program is administered by Horizons of New Mexico, a nonprofit organization that also works to market the program and monitors legislative action affecting the program.

On questioning, Mr. Kivitz and committee members noted that:

(1) Adelante currently employs approximately 450 persons with disabilities, including 18 veterans, under state contracts for document processing, facilities maintenance and rest area maintenance, among other services;

(2) Tresco, Inc., also hires persons with disabilities under State Use Act contracts;  
and

(3) certain professional services are not included in the council's list because they are not appropriate for a mandatory purchasing program.

### **Minutes**

On a motion duly made, seconded and unanimously adopted, the minutes from the meetings on September 15-16, 2015 and October 23, 2015 were approved.

### **Endorsement of Legislation**

The committee discussed the following legislation for possible endorsement.

**195598.3** — a bill concerning degree program credit for military coursework or military service.

- ★ On a motion duly made, seconded and unanimously adopted, the committee endorsed the bill with an amendment on line 22 to delete "may" and insert in lieu thereof "shall".

**House Joint Memorial 1 (2010)** — a joint memorial concerning uniform standards for accepting military credit and articulation among all higher education institutions in the state.

- ★ Committee members requested that committee staff draft a bill that combines the elements of House Joint Memorial 1 (2010) with requirements that the Legislative

Education Study Committee and higher education institutions report to the Military and Veterans' Affairs Committee and the legislature on progress toward a system of granting college credit for military training and experience.

- ★ On a motion duly made, seconded and unanimously adopted, committee staff was directed to draft a letter from the committee co-chairs to the governor requesting that the proclamation for the 2016 session include a message to allow consideration of a bill concerning college credit given for military training and experience.
- ★ Mr. Vande Hey will provide committee staff with a copy of Louisiana's House Bill 500 concerning college credit given for military training and experience.

Senator Pinto proposed that the committee endorse a \$1 million appropriation for a Codetalkers Museum near Gallup; however, the committee was unable to make an endorsement because a bill with the appropriation was not presented to the body.

Similarly, the committee discussed but was unable to endorse a "military retirement incentive bill" because no bill was presented to the body.

Representative Wooley noted that he will introduce a bill based on House Bill 557 (2015 regular session), concerning amendments to the veteran business procurement preference, and will request that the governor include the topic in her proclamation.

### **Announcements**

Representative Zimmerman announced that ground was broken at the Fort Stanton Veterans Cemetery on Veterans Day and that the Fort Bayard National Cemetery is now under the management of the Santa Fe National Cemetery. Deputy Secretary Martinez noted that inquiries about burial at the Fort Stanton National Cemetery may be directed to the VSD.

### **Adjournment**

The committee adjourned at 3:15 p.m.